

Enriching Lives



1055 Wilshire Boulevard
Suite 800
Los Angeles, CA 90017
Tel 213.202.5858
Fax 213.580.0017
www.lacountyarts.org

Board of Supervisors

Hilda L. Solis
Mark Ridley-Thomas
Sheila Kuehl
Don Knabe
Michael D. Antonovich

Commissioners

Bettina Korek
President

Pamela Bright-Moon
Vice President

Betty Haagen
Secretary

Helen Hernandez
Executive Committee

Eric Hanks
Constance Jolcuvar
Peter Lesnik
Claudia Margolis
Kathryn McDonnell
Alis Clausen Odenthal
Norma Provencio Pichardo
Claire Peeps
David Valdez
Hope Warschaw
Rosalind Wyman

Laura Zucker
Executive Director



September 13, 2016

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**AUTHORIZE FUNDING AGREEMENTS WITH THE JOHN ANSON FORD
THEATRE FOUNDATION FOR COMPLETION OF THE JOHN ANSON FORD
THEATRE
IMPROVEMENTS PROJECT
(THIRD DISTRICT)
(3 VOTES)**

SUBJECT

The recommended action will authorize two funding agreements with the Ford Theatre Foundation for completion of the John Anson Ford Theatre Improvements Project.

IT IS RECOMMENDED THAT THE BOARD:

Delegate and authorize the Chief Executive Officer to execute two funding agreements with the Ford Theatre Foundation, contingent upon funding in the FY 2016-17 Final Adopted Budget, for the completion of the John Anson Ford Theatre Improvements Project: the first for an amount of \$6,375,000, and the second for a not-to-exceed amount of \$9,625,000, to be paid out incrementally based on change costs approved by the Chief Executive Officer.

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

63-C September 13, 2016

A handwritten signature in black ink that reads "Lori Glasgow".

LORI GLASGOW
EXECUTIVE OFFICER

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will authorize the transfer of funds to the Ford Theatre Foundation (Foundation), upon Supplemental Budget approval action of funding on September 27, 2016, to complete the John Anson Ford Theatre Improvements Project (Project) at the John Anson Ford Theatre (Ford Theatre).

BACKGROUND

As one of the oldest performing arts venues in Los Angeles that is still in use, the Ford Theatre, originally named the Pilgrimage Theatre, was rebuilt and re-opened in 1931 after the original 1920 structure was destroyed in a brush fire in 1929. In 1941, the 32 acres on which the Ford Theatre stands was deeded to the County of Los Angeles (County) and is now a County regional park. The theatre was renamed the John Anson Ford Theatre in 1976.

In the past several decades prior to 2012, the County of Los Angeles has made over \$8.8 million in refurbishments and capital improvements to the facility to meet modern safety, access, and performance standards. At 85 years old, it has previously been determined by the Board that the Ford Theatre building's structure and deteriorating infrastructure were in need of repair or replacement. To improve functionality and performance operations, refurbishments, and new construction were authorized to restore the theatre and preserve its historic features.

To date, the Board of Supervisors has approved \$65,851,750 for the Ford Theatre Improvements Project in several phases. Work began during the off-seasons in 2013 and 2014, and the theatre was closed through the 2015 season to continue construction activities. The theatre reopened for performances on July 8, 2016 with a temporary certificate of occupancy, however there is still substantial work required for the Project to be complete.

Unforeseen conditions and construction coordination issues at the project site have caused construction delay and additional cost related to reconstruction of the hillside, existing structures and underground utilities due to the lack of original as-built drawings, and additional unforeseen design, code and jurisdictional requirements. The Ford Theatre project delivery team directed the contractor to schedule work activities to recover construction delay in order to attain a temporary certificate of occupancy (TOC) before the first scheduled performance of July 8. Operational losses that would have occurred if 2016 performance commitments had not been met were averted by attaining the July 8 TOC. Substantial completion is not anticipated until early 2017.

The requested not-to-exceed amounts of \$6,375,000 and \$9,625,000, estimated by the Ford Theatre project delivery team, are needed to fund potential additional cost increase exposure associated with completion of the Project.

An initial funding agreement for \$6,375,000 will address change costs currently in final negotiation with the contractor and Ford Theatre consultants. This includes \$1.5 million for costs already priced by the prime contractor, \$4.5 million for costs already priced by the trade subcontractors, and \$375,000 in additional soft costs for project management and architectural/engineering consultants. A follow-up funding agreement not to exceed \$9,625,000 is anticipated to be issued to the Ford Theatre Foundation after thorough review, negotiation, and approval of other justifiable project change costs.

Implementation of Strategic Plan Goals

The recommendation supports the County's Strategic Plan Goal of Community Support and Responsiveness (Goal 2), enriching the lives of more than 45,000 Los Angeles County residents through the offering of more than 100 diverse dance, music, theater, film and family events at this historic venue annually.

FISCAL IMPACT/FINANCING

The proposed funding agreements will authorize an initial payment of \$6,375,000, and subsequent not-to-exceed payment of \$9,625,000, totaling \$16,000,000, to the Foundation from the Project and Facility Development (PFD) Budget Unit funded with General Fund net County cost. The funding is contingent upon the Board's approval of \$16,000,000 to PFD on September 27, 2016, as part of the 2016-17 Supplemental Budget action. The Chief Executive Officer will work closely with the Arts Commission, the Foundation, and the contractor on all aspects of the project, and authorize the release of incremental payments as interim project milestones are met.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Pursuant to California Government Code 26227, the County of Los Angeles Board of Supervisors may expend money for projects and/or programs which the Board of Supervisors determines will serve the social and cultural needs of the County and contract with other public agencies, private agencies or individuals for those projects and/or programs.

ENVIRONMENTAL DOCUMENTATION

The recommended actions are within the scope of the certified Environmental Impact Report that the Board approved on October 7, 2014.

CONTRACTING PROCESS

Funding agreements, consistent with the Board's approval and in the form approved by County Counsel, will be used.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The recommended actions are administrative in nature, but will impact the future functionality of the Ford Theatre.

CONCLUSION

Please return one adopted copy of this Board letter to the Chief Executive Office, Capital Programs

The Honorable Board of Supervisors

9/13/2016

Page 4

Division.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Laura Zucker", followed by a long horizontal line.

LAURA ZUCKER

Executive Director

LZ:AD:mg

BMB:FC:zu

c: Executive Office, Board of Supervisors
County Counsel
Arts Commission
Parks and Recreation